

FOR IMMEDIATE RELEASE

April 12, 2012

Contact: Lisa Richardson, 213-361-6980 Email: Irichardson@bos.lacounty.gov

or

Contact: Sharita Moon, 213-974-2222 Email: smoon@bos.lacounty.gov

Audit Shows Need to Disband Coliseum Commission

Los Angeles City Controller Wendy Greuel today issued an audit of the Los Angeles Memorial Coliseum Commission.

The audit found numerous examples of questionable practices, including \$870,000 in payments to overseas companies for events that never took place and nearly \$1 million in untracked cash payments to technical workers.

The Controller also noted Commissioners "have not assured that adequate controls were in place and allowed a Tone-at-the-Top unsuitable for a government entity." The audit concluded Commissioners delegated substantial control to the General Manager, requiring only "superficial reporting" in return.

The audit recommends the Coliseum Commission ensure timely internal audits and work with the General Manager to improve communications so Commissioners may be "fully informed" to "ensure its long term fiscal health and appropriate condition of its facilities.

Supervisor Ridley-Thomas, a member of the Coliseum Commission, said of the audit:

"The City Controller's audit captures many of the major financial missteps that have put the Coliseum in its current predicament. Her recommendations for correcting past mismanagement, however, stop short of what is truly required: the Coliseum needs an entirely new governance and management model.

The Commission structure established in 1923, when Los Angeles County's population was less than one-tenth its current size.

A nine-member commission composed of three representatives each from the city, county and state made sense when the entire state of California had a population roughly equal to Orange County today.

Now, the tripartite structure too often pits competing interests against common ones. The result has been the indecision and excessive compromise endemic to management by committee.

It's unrealistic to expect such a body to provide the kind of hands-on oversight required at the Coliseum today. Part-time supervision by elected officials is an out-dated model.

It's time to dissolve the Coliseum Commission and replace it with stewardship by one of the current public partners – the city, state or county. Los Angeles County has a strong track record in managing the Hollywood Bowl and the County's Natural History Museum in Exposition Park. The county might very well have the experience and financial stability to take custody of the Coliseum."

####